

The Hon. Richard A. Jones

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

EPHRAIM ROSENBERG, *et al.*,

Defendants.

NO. CR20-151-RAJ

**DECLARATION OF FBI
SPECIAL AGENT DONALD SANTISO
IN SUPPORT OF MOTION FOR
PROTECTIVE ORDER RESTRAINING
CERTAIN FORFEITABLE PROPERTY**

I, Donald Santiso, declare and say:

1. I am a Special Agent (SA) with the Federal Bureau of Investigation (FBI), currently assigned to the Seattle Field Office, and have been so employed since 2019. I am assigned to the Cyber squad where I primarily investigate computer intrusions and other cases involving cybercrimes. I have received training and gained experience in interviewing and interrogation techniques, arrest procedures, search warrant applications, the execution of searches and seizures, Cybercrimes, computer evidence identification, computer evidence seizure and processing, and various other criminal laws and procedures.

2. I hold Bachelor of Science degree in Computer Engineering. My experience during undergrad included programming in various languages such as Java and C++, circuit analysis, and becoming familiar with computer design and operation. I

1 also hold a certification in cyber security. Prior to my employment as a Special Agent, I
2 worked as a software/test engineer for approximately five years. As part of that
3 employment, I developed programs and engineered tests to assess the capacity of
4 complex computer systems and networks. The information in this declaration is based
5 upon my own investigation, my conversations with other law enforcement officers who
6 have engaged in various aspects of this investigation, and my review of reports written by
7 other law enforcement officers involved in this investigation. It does not, however,
8 contain every detail known to me about the investigation.

9 3. I make this declaration in support of a motion for entry of a protective order
10 that would allow the United States to maintain custody of, or otherwise restrain, \$100,000
11 in United States currency seized from Defendant Nadis Nuhanovic's residence in
12 Acworth, Georgia, on August 19, 2020, (the "Subject Currency") pending resolution of
13 this criminal case.

14 4. On September 16, 2020, the United States filed a nine-count Indictment
15 charging the defendants, including Defendant Nuhanovic, with, among other offenses,
16 conspiracy to harm Amazon.com, Inc.'s ("Amazon") online marketplace (the "Amazon
17 Marketplace"), third-party ("3P") merchants selling goods on the Amazon Marketplace,
18 and consumers by, among other acts, depriving Amazon of the exclusive use and
19 confidentiality of its internal business information, interfering with Amazon's ability to
20 ensure the safety and authenticity of goods sold on the Amazon Marketplace, and
21 impairing consumers' access to accurate, reliable information about 3P merchants and
22 products being sold through the Amazon Marketplace. The Indictment charges that, to
23 accomplish these objectives, Defendant Nuhanovic and others conspired to pay, and did
24 pay, over \$100,000 in bribes to complicit Amazon employees and contractors
25 (collectively, the "Amazon Insiders") in exchange for unauthorized access to Amazon's
26 computer systems, processes, and information that regulate day-to-day operations of the
27 Amazon marketplace.
28

1 5. In order to sell certain categories of products (e.g., dietary supplements), 3P
2 sellers typically must demonstrate that they have sourced those products from a
3 legitimate wholesaler through the use of an invoice issued by that wholesaler. This
4 requirement is intended to prevent sellers from selling counterfeit products and from
5 engaging in retail arbitrage—the practice of purchasing products from one retailer and
6 selling the same product on the Amazon Marketplace for a profit. Defendant Nuhanovic
7 and others conspired to defraud Amazon into granting categorical approval to sell dietary
8 supplements.

9 6. Chats produced by Amazon Insiders reveal that Defendant Nuhanovic
10 solicited them to misappropriate invoices from Amazon’s network. For example, in an
11 April 13, 2018, WhatsApp chat, Defendant Nuhanovic instructed one Amazon Insider to
12 provide Defendant Nuhanovic with unauthorized access to invoices that other 3P seller
13 accounts had sent Amazon. Defendant Nuhanovic offered the Amazon Insider a \$2,000
14 bribe for this misappropriated information. Defendant Nuhanovic wrote: “dont [sic]
15 forget to get me invoices from their case logs please. Try to pull much as you can. It will
16 be well worth it for you and I [sic].”

17 7. Similarly, chats produced by Amazon Insiders and other records found
18 pursuant to warrants show that Defendant Nuhanovic discussed using the stolen invoices
19 to create altered invoices that appeared to have been issued to 3P accounts that he
20 controlled. For example, Defendant Nuhanovic instructed Nilsen: “Don’t forget to send
21 invoices [sic] and whaybeer [sic] someone else used for approval [s]o he can get started
22 making us a template.” Later that month, Defendant Nuhanovic asked for “invoices so
23 the guys can edit out in .psd,” which refers to a file format accessible through the file-
24 editing program Adobe Photoshop. About six months later, Nuhanovic told Nilsen that
25 another former Amazon employee created fake invoices on Adobe Photoshop for
26 category approval requests: “[m]y man ... banged out supplement approval.”

27 8. FBI seized the Subject Currency from Defendant Nuhanovic’s residence on
28 August 19, 2020, pursuant to a sealed Search and Seizure Warrant issued from the U.S.

1 District Court for the Northern District of Georgia, Case No. MC20-1460 (the
2 “Warrant”). (FBI seized a total of \$103,860 in United States currency from Defendant
3 Nuhanovic’s residence; however, the United States has declined to pursue forfeiture of
4 the \$3,860 not included in the Subject Currency.) FBI agents found the Subject Currency
5 in vacuum-sealed packaging hidden inside a llama-shaped ottoman in Defendant
6 Nuhanovic’s baby’s room. The Subject Currency was arranged in \$10,000 stacks
7 comprised of \$100 bills. Attached as **Exhibit A** to this declaration are true and correct
8 copies of three photographs depicting the room and the manner in which the Subject
9 Currency was packaged and hidden.

10 9. During FBI’s search of Defendant Nuhanovic’s residence pursuant to the
11 Warrant, FBI agents interviewed Defendant Nuhanovic. FBI agents read Defendant
12 Nuhanovic his *Miranda* rights, and, after acknowledging that he understood his rights,
13 Defendant Nuhanovic proceeded to answer questions. When asked about the Subject
14 Currency, Defendant Nuhanovic answered that the Subject Currency had been loaned to
15 him by an unindicted co-conspirator, identified in the Indictment as Client-1, allegedly to
16 purchase dietary supplement inventory to be sold by Defendant Nuhanovic through one
17 or more of his 3P seller accounts on the Amazon Marketplace. Some or all of the 3P
18 seller accounts Defendant Nuhanovic owned or controlled received authorization from
19 Amazon to sell dietary supplements on the Amazon Marketplace as a direct result of the
20 computer fraud—including the misappropriation and alteration of wholesaler invoices—
21 discussed above.

22 10. Client-1 died before the Grand Jury returned the Indictment. Before Client-
23 1’s death, however, Client-1 was involved in the computer fraud conspiracy described
24 herein including, but not limited to, by paying Defendant Nuhanovic and other co-
25 conspirators hundreds of thousands of dollars in exchange for fraudulent reinstatement of
26 Client-1’s 3P seller accounts, fraudulent attacks on competitors’ 3P seller accounts, and
27 other fraudulent services.
28

11. After seizing the Subject Currency, FBI initiated administrative forfeiture proceedings against the Subject Currency pursuant to 18 U.S.C. § 983 (governing non-judicial forfeiture). On October 15, 2020, in the administrative process, Defendant Nuhanovic submitted a claim to the Subject Currency (the “Claim”), which the FBI referred to the United States Attorney’s Office for judicial forfeiture. Attached as **Exhibit B** to this declaration is a true and correct copy of the Claim.

12. The Subject Currency is in the custody of the U.S. Marshals Service.

I declare under penalty of perjury that the foregoing is true and correct.

DATED this 19th day of January, 2021, in Seattle, Washington.


DONALD SANTISO
FBI Special Agent

EXHIBIT A







EXHIBIT B

PATE, JOHNSON & CHURCH

October 15, 2020

Via Federal Express

Tracking No.: 771810560151

Federal Bureau of Investigation

Attn: Forfeiture Paralegal Specialist

1110 3rd Avenue

Seattle, Washington 98101

Re: Seized Property of Hadis Nuhanovic

Case No.: 20-FBI-005919

Notice Letter ID: 203143

Dear Forfeiture Paralegal Specialist:

Please be advised that our firm has been retained to represent Hadis Nuhanovic in the above referenced forfeiture case. Enclosed is a Claim pursuant to 18 U.S.C. § 983(a)(2). We respectfully request that the Federal Bureau of Investigation send this case to the U.S. Attorney's Office for Court Action. Please direct all correspondence to the address listed above.

Please feel free to call our office if you have any questions or concerns. Thank you very much for your time and consideration with this matter.

Very truly yours,

/s/ Jess B. Johnson

Jess B. Johnson

CLAIMANT:	Hadis Nuhanovic
ASSET ID:	20-FBI-005919
NOTICE LETTER ID:	203143
PROPERTY:	\$103,860.00 U.S. Currency
ASSET VALUE:	\$103,860.00
SEIZURE DATE:	08/19/2020
SEIZURE PLACE:	██████████ Acworth, Georgia 30102
OWNER NAME:	Hadis Nuhanovic
JUDICIAL DISTRICT:	Northern District of Georgia

CLAIM PURSUANT TO 18 U.S.C. § 983(a)(2)

Pursuant to 18 U.S.C. § 983(a)(2), Claimant Hadis Nuhanovic (“the Claimant”) hereby files the following Claim for the above-referenced property.

1.

On August 19, 2020, \$103,860 in U.S. currency was seized from Claimant’s residence in the Northern District of Georgia.

2.

The Claimant is the true and complete owner of the seized property.

3.

The Claimant will accept service at the address listed for his attorney of record. The Claimant requests that any and all information and notices pertaining to this matter be sent to:

Jess B. Johnson
Pate, Johnson & Church, LLC
101 Marietta Street, Suite 3300
Atlanta, Georgia 30303

4.

The seized property was acquired by the Claimant through legal means and not obtained through any illegal activity.

5.

This claim is not frivolous as the Claimant has a valid and legal interest in the property that is the subject of this case.

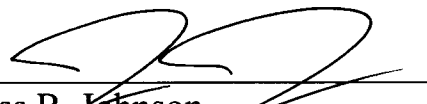
6.

The Claimant seeks the return of the seized property and respectfully requests that this matter be sent to the U.S. Attorney's Office for court action.

This 14th day of October, 2020.

Pate, Johnson & Church, LLC
101 Marietta Street, Suite 3300
Atlanta, Georgia 30303
(404) 223-3310

PATE, JOHNSON & CHURCH, LLC

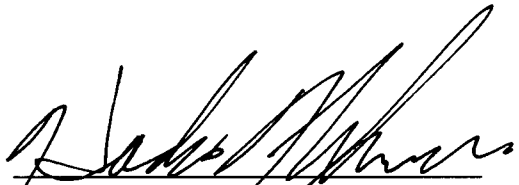


Jess B. Johnson
Georgia Bar No.: 322066


VERIFICATION

Pursuant to 28 U.S.C. § 1746, the Claimant, Hadis Nuhanovic, hereby declares under penalty of perjury that the information contained in the foregoing Claim pursuant to 18 U.S.C. § 983(a)(2) is true and correct to the best of his knowledge and belief.

This 15 day of October, 2020.


Hadis Nuhanovic
Claimant

Sworn to and subscribed before me
This 15th day of October, 2020.


Notary Public
My Commission Expires: 11-13-2023


Insert shipping
document here.

ORIGIN ID:QFEA (404) 223-3310
JESS B. JOHNSON
PATE, JOHNSON & CHURCH, LLC
101 MARIETTA STREET
SUITE 3300
ATLANTA, GA 30303
UNITED STATES US

SHIP DATE: 15OCT20
ACTWGT: 0.50 LB
CAD: 9287216/INET4280

BILL SENDER

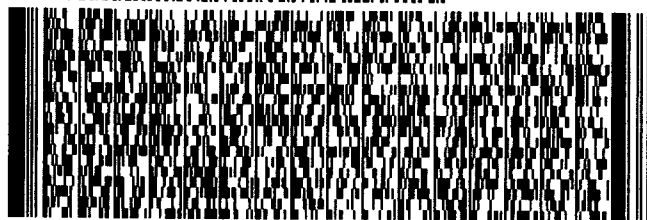
TO FORFEITURE PARALEGAL SPECIALIST
FEDERAL BUREAU OF INVESTIGATION
1110 3RD AVENUE

SEATTLE WA 98101

(206) 622-0460
INV
PO

REF: NUHANOVIC

DEPT



FedEx
Express



56812/A27E/B766

FedEx

TRK#

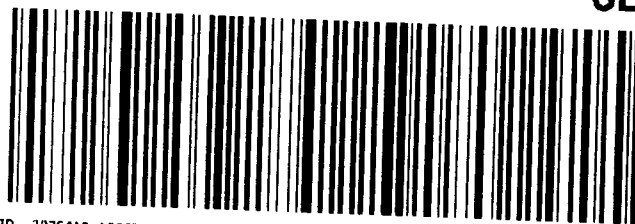
0201

7718 1056 0151

TUE - 20 OCT AA DA
MORNING 2DAY AY

SH BFIA

98101 01
WA-US :A
SEA



FTD 3876412 16OCT20 ETYA 56DC2/A27E/05A2



RT 238
FZ 239

1
10:30
A
0151
10:19